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C O N F I D E N T I A L SECTION 01 OF 02 ISLAMABAD 003011

SIPDIS

E.O. 12958: DECL: 09/11/2018
TAGS: PGOV PK PREL MOPS PTER EAID
SUBJECT: GILANI HIGHLIGHTS COUNTERTERRORISM AND ECONOMY
WITH CODEL TAUSCHER

Classified By: Anne W. Patterson for reasons 1.4 (b), (d).

11. (C) Summary: Codel Tauscher -- U.S. Representatives Ellen Tauscher (D-CA), Tom Petri (R-WI), Jim Cooper (D-TN), Jon Porter (R-NV), Dave Reichert (D-WA), and Nancy Boyda (D-KS) -- met September 7 with Pakistan's Prime Minister Yousuf Gilani. He thanked the USG for its support in helping transition the country to a full democracy, noting the importance of the February 18 parliamentary elections and former President Pervez Musharraf's stepping down as Chief of Army Staff. Gilani assured the codel that fighting extremism was his government's number one priority; terrorist acts were also hurting Pakistan's economy, he asserted. He claimed good relations with neighbor Afghanistan but complained about the lack of GOA cooperation on a bio-metric system and on refugees. The codel members offered USG support on several issues, from Pakistan's counterterrorism efforts to economic reforms. End summary.

Support for Democracy and GWOT

- 12. (C) Prime Minister Gilani began his September 7 meeting with Codel Tauscher with thanks for USG support of a democratic transition in Pakistan. He noted that moderate forces had received a mandate in the February 18 general elections, that he had been elected unanimously as PM, and that party Co-Chair Asif Zardari had just won the presidency with overwhelming totals. He thanked the USG for ensuring free and fair elections and convincing former President Pervez Musharraf to resign as Chief of Army Staff.
- ¶3. (C) Gilani stressed that Pakistan was on the "front-line against extremism." He reiterated the GOP's commitment to fight terrorism within the country's borders. Gilani noted the gains of secular parties in the Northwest Frontier Province (NWFP), Federally Administered Tribal Areas (FATA) and Balochistan. These parties, specifically coalition partner Awami National Party (ANP), had good relations with Afghanistan President Hamid Karzai, and Gilani believed there would be good cooperation covering the border areas because of this relationship.
- 14. (C) Gilani made a clear link between the fight against terrorism and the country's poor economic outlook; attacks caused capital flight and scared foreign investors. He noted the kidnapping of some foreign (Chinese) workers recently. Without outlining a policy, Gilani said militants in the frontier regions needed to be isolated from the tribals, but "when we attack, they unite."

- ¶5. (C) Gilani complained that the GOP treasury was spending huge resources not only to fight the GWOT but also on the three million Afghan refugees within Pakistan's borders. These refugees the largest displaced group in the world should return to Afghanistan after decades in Pakistan. He also charged that Afghan drug lords were funding destabilization schemes inside Pakistan.
- 16. (C) Gilani added that the 18 FATA parliamentarians, most just elected in February, were now scared to return to their districts and had been blunt with him that they feared publicly backing a secular party like the Pakistan People's Party (PPP). He said the GOP would not hesitate to use force against militants, noting recently delivered F-16s had been used for counterterrorism purposes in the frontier regions not as part of a conventional deterrent.
- 17. (C) Codel Tauscher told Gilani: "You have our support (fighting terrorism)." They agreed with Gilani's call for a multi-track U.S.-Pakistan bilateral relationship beyond CT. Gilani claimed credit for jump-starting bilateral and tripartite military cooperation. The Army had suffered many casualties and was still ill-equipped to fight the militants, he said. Gilani noted the difficult terrain along the Pak-Afghan border and how that challenged effective patrolling, even with over 1,000 checkpoints. He complained that the Afghan government refused to cooperate with the GOP

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on bio-metric checks at border crossing points.

- 18. (C) Codel Tauscher asked what the U.S. could do to help Pakistan on the economic front. Gilani made no specific request, simply noting again how sensitive domestic and foreign investors were to terrorist attacks. He said his administration had been persuaded by the international financial institutions to curb subsidies on commodities, a difficult move for a newly elected government. "Musharraf did not add one megawatt of energy during his eight years," Gilani noted.
- 19. (C) Gilani claimed he had "forgiven Musharraf" for imprisoning him. He promised that the PPP would "not rock the boat" by targeting Musharraf for prosecution and that the former president would have "safe passage" out of the country. He said Pakistan's 1973 Constitution would be restored, indicating that presidential prerogatives would be given back to parliament. He insisted deposed judges would be "re-appointed" but said that those who had "politicized themselves" and actually led demonstrations should not be brought back to the bench, referring to former Supreme Court Chief Justice Iftikhar Chaudhry. He added, a returned Chaudhry would legislate from the bench and possibly even order Musharraf's arrest.
- 110. (U) Codel Tauscher did not clear this cable.

PATTERSON